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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/706,370	11/03/2000	Len L. Mizrah	AIDT 1000-1	6463
22470	7590	08/15/2006	EXAMINER	
HAYNES BEFFEL & WOLFELD LLP			COLBERT, ELLA	
P O BOX 366			ART UNIT	
HALF MOON BAY, CA 94019			PAPER NUMBER	
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DATE MAILED: 08/15/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b> 09/706,370	<b>Applicant(s)</b> MIZRAH, LEN L.	
	<b>Examiner</b> Ella Colbert	<b>Art Unit</b> 3693	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 24 May 2006.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 45-55 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 45-55 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
     Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
     Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |   |   |
|---|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                        | 4) <input type="checkbox"/> Interview Summary (PTO-413)                     |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)    | Paper No(s)/Mail Date. _____  |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date _____   | 6) <input type="checkbox"/> Other: _____                                    |

### **DETAILED ACTION**

1. Claims 45-55 are pending. Claims 45, 49, 51-53 and 55 have been amended in this communication filed 5/24/06 entered as Response After Non-Final Action and Substitute Specification.

2. The Substitute Specification Objection still remains as set forth here below.

3. The 35 USC 112 second paragraph rejection still remains for claims 45, 49, 51, and 55. Newly amended claims 52 and 53 are also rejected as set forth here below.

The amendment for the 35 USC 112 second paragraph rejection does not overcome the combining of two separate statutory classes of invention into a single claim. The 35 USC 112 second paragraph rejection for claim 45 being confusing has been overcome by Applicant's amendment to claim 45 and is hereby withdrawn. However, claim 45 still has a 35 USC 112 second paragraph problem.

### ***Specification***

4. A substitute specification in proper idiomatic English and in compliance with 37 CFR 1.52(a) and (b) is required. The substitute specification filed must be accompanied by a statement that it contains no new matter. Some examples of improper idiomatic English are as follows: Page 2 of the amended Specification, third paragraph recites "Though credit cards have been used as a financial transaction instruments since ...". This line would be better recited as "Though credit cards have been used as a financial transaction instrument since ...". Paragraph 4 recites "another issue ... supplied to back office includes a credit card account number, a ...". These lines would be better recited "another issue ... supplied to a back office includes a credit card account

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number, a ...". Page 3, paragraph 1 recites "except a merchant does not get any authorization code, but ... number. Since the financial transaction – is pre-authorized ..., ... stage. Use of a ... using secret PIN". These lines would be better recited as "except a merchant does not get any authorization code, but ... number. Since the financial transaction is pre-authorized ..., ... stage. Use of a ... using a secret PIN".

The specification has not been checked to the extent necessary to determine the presence of all possible minor errors. Applicant's cooperation is requested in correcting any errors of which applicant may become aware in the specification. Applicant's Substitution Specification is replete with grammatical and punctuation errors.

### ***Claim Rejections - 35 USC § 112***

5. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

6. Claims 45, 49, 51-53, and 55 are rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. In particular,

A. Claim 45 is not sufficiently precise due to the combining of two separate statutory classes of invention in a single claim. The preamble of the claim refers to a method and a computer-based data processing system, but the body of the claim discusses first a method (i.e., establishing an authentication record, establishing an authorization record, matching the authorization record with the authentication record, and reconciling the predicted transaction), and subsequently the claim then deals with the specifics of a system (ex. in the data processing system). There is some confusion

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as to whether the claim is a method claim or a system claim. The preamble of the claim would be better recited as "A computer implemented method" or simply "A method for automated authentication". The body of the claim would be better recited as "establishing an authentication record at the computer for a predicted transaction ...;". It is unnecessary to have data processing system throughout the other claim limitations in claim 45. It is recognized that the method is being performed using a data processing system in the preamble and the first claim limitation.

Claims 49, 51, and 55 appear to be method claims because the preamble recites a method and the body of the claim discusses a system (i.e. establishing a communication session between the particular account holder and the data processing system), and subsequently the claim deals with the specifics of a system (ex. the data processing system). Claims 51-53 and 55 have a similar problem.

The dependent claims 46-55 are also rejected because of their dependency on a rejected base claim.

### ***Response to Arguments***

7. Applicant's arguments filed 5/24/06 have been fully considered but they are not persuasive. The Arguments were addressed the best that the Examiner could determine considering the condition of the claims and the specification.

Issue no. 1: Applicant argues: The Examiner is misreading the references because Watson does not teach the first step of claim 45. The Examiner cites column 1, line 61 to column 2, line 21 and figure 1 of Watson as teaching this limitation. However, the Examiner is mistaken because the cited passage does not mention

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authentication in any sense and does not describe "an authentication record" as required by the claim and there is not description of the creation of a record of any type, much less a record that includes an authenticated transaction signature and a time parameter has been considered but is not persuasive. Response: It cannot be determined from reading the Specification or the Drawings what is meant by a "time parameter". Therefore, a "time parameter is given the broadest reasonable interpretation. The claim limitation does not recite "the creation of a record". The claim limitation recites "establishing an authentication record ...". "Establish, establishing" is defined in "Merriam Webster's Collegiate Dictionary –10 edition" as "to institute (as a law) permanently by enactment or agreement, settle, to make firm or stable, to bring into existence, to put beyond doubt". Watson does disclose "an account being established, transaction parameters, and other parameters. If an account is established there is a record of the account. For example, at a bank when an account is setup, a record is maintained of the account with the signature of the account holder. According to the claim limitations of claim 45, the best that the Examiner can determine from the claim language, Watson and Anderson disclose the claim limitations of claim 45.

Issue no. 2: Applicant argues: There is no mention of an authentication process, and no mention of problems associated with authentication in Watson and there is no concept in Watson of a "presented transaction signature" has been considered but is not persuasive. Response: Watson discloses "... prior to reaching authorizing agent 112 for comparison of account parameters for conformance of account limitations". It is

interpreted although not expressly disclosed that the account parameters include a transaction signature and authentication.

Issue no. 3: Applicant argues: Anderson et al. does not describe a matching step as recited in claim 45 has been considered but is not persuasive. Response: Anderson discloses verification steps which is interpreted as a form of matching the signature (record).

Issue no. 4: Applicant argues: Applicant submits that Joao et al. does not teach the limitations in claims 49-55 and does not support a prima facie case of unpatentability and the Examiner appears to be misreading the reference has been considered but is not persuasive. Response: In response to applicant's arguments, the recitation "wherein establishing an authentication record" has not been given patentable weight because the recitation occurs in the preamble. A preamble is generally not accorded any patentable weight where it merely recites the purpose of a process or the intended use of a structure, and where the body of the claim does not depend on the preamble for completeness but, instead, the process steps or structural limitations are able to stand alone. See *In re Hirao*, 535 F.2d 67, 190 USPQ 15 (CCPA 1976) and *Kropa v. Robie*, 187 F.2d 150, 152, 88 USPQ 478, 481 (CCPA 1951). Therefore it is interpreted that Joao discloses establishing a communication session between the particular account holder and a financial transaction server; at the server, accepting an account number and an identification number for the particular account holder; at the server accepting the predicted transaction amount; and at the server, producing the

transaction signature with the claim limitations of claims 50-55 in the columns and line numbers in the Office Action of 2/21/06.

Conclusion: The application is not presently in condition for allowance nor does it simplify matters for appeal. In this rejection of claim 1 and others, for example under Section 103 (a) of Title 35 of the United States Code, the Examiner carefully drew up a correspondence between the Applicant's claimed limitations and one or more referenced passages in the Watson, Anderson and Joao references, what is well known in the art, and what is known to one having ordinary skill in the art (the skilled artisan). The Examiner is entitled to give claim limitations their broadest reasonable interpretation in light of the Specification (see below):

2111 Claim Interpretation; Broadest Reasonable Interpretation [R-1]

>CLAIMS MUST BE GIVEN THEIR BROADEST REASONABLE INTERPRETATION

During patent examination, the pending claims must be "given the broadest reasonable interpretation consistent with the specification." Applicant always has the opportunity to amend the claims during prosecution and broad interpretation by the examiner reduces the possibility that the claim, once issued, will be interpreted more broadly than is justified. In re Prater, 162 USPQ 541,550-51 (CCPA 1969).<

Applicant is respectfully requested to point out to the examiner in the independent claims the inventive concept of the invention and to distinctly and clearly claim that inventive concept in the claim language.

**Conclusion**

8. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP



§ 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

### **Inquiries**

9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Ella Colbert whose telephone number is 571-272-6741. The examiner can normally be reached on Monday, Tuesday, and Thursday, 5:30AM-3:00PM.


If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on 571-272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only.

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For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

August 7, 2006

  
ELLA COLBERT  
PRIMARY EXAMINER